



REPUBLIC OF THE PHILIPPINES
BUREAU OF THE TREASURY
INTRAMUROS, MANILA 2801

Funding the Republic

**National Government Full Year 2005 Fiscal Deficit
Better Than Program by Php 33.5 billion**

December Fiscal Deficit at Php 23.7 billion

23 January 2006, Manila, Philippines: The fiscal deficit of the National Government for 2005 reached P 146.5 billion, registering an over performance of P33.5 billion compared with the programmed ceiling of P180.0 billion. This was P40.5 billion below the P187.1 billion deficit for the same period last year. The National Government incurred a deficit in December amounting to P23.7 billion, higher by P 4.2 billion than the program for the month but lower than the deficit of 26.8 billion incurred during the same period last year.

Revenue Performance

For the full year of 2005, revenues were P12.6 billion excess over the program of P783.2 billion and grew by 14% compared to the same period of last year's P699.8 billion. BIR and BOC collections reached to P534.5 billion and P141.7 billion, lower than their program by P12.4 and P9.5 billion, respectively. BTr income amounted to P70.6 billion, P34.1 billion or 93% excess over the program. On a year on year, BIR and BOC registered a growth of 14% and 16%, respectively.

Revenue collections reached P62.0 billion for the month of December, lower than the programmed collection of P64.5 billion and over last year's level by P0.3 billion. The Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC) registered a growth of 5% and 14%, respectively, for December compared to same month last year. Actual collections for the month were recorded at P43.1 billion for BIR and P11.3 billion for BOC. The Bureau of the Treasury exceeded its target by P1.9 billion.

Expenditures

For the year 2005, total disbursements amounted to P942.2 billion, P20.9 billion or 2% below the program and 6% higher than the comparable disbursements in 2004. Actual disbursements in December amounted to P85.7 billion, or P1.7 billion higher than program

Primary Surplus/(Deficit)

Netting out the interest payments in the expenditures, the National Government recorded a primary surplus amounted to P153.3 billion for the year or 107% higher than the amount recorded last year. For December, the NG incurred a primary deficit of P10.3 billion.

FISCAL PERFORMANCE
January to December 2005
(In Billion Pesos)

	December		2005 December Program	Program vs Actual Amount	Percent Growth 2005/2004
	Actual				
	2004	2005			
Deficit	-26.8	-23.7	-19.5	-4.2	-11.7
Revenues	62.3	62.0	64.5	-2.5	-0.5
Expenditures	89.1	85.7	84.0	1.7	-3.8
Borrowings	3.5	-1.569	24.8	-26.4	#REF!

	January to December		2005 Q1-Q4 Program	Program vs Actual Amount	Percent Growth 2005/2004
	Actual				
	2004	2005			
Deficit	-187.1	-146.5	-180.0	33.5	-21.7
Revenues	699.8	795.7	783.2	12.6	13.7
Expenditures	886.8	942.2	963.2	-20.9	6.2
Borrowings	242.5		215.7		#REF!

**NATIONAL GOVERNMENT
REVENUES**
January to December 2005
(In Billion Pesos)

	December		2005 Dec Program	Program vs Actual Amount	Percent Growth 2005/2004
	Actual				
	2004	2005			
Revenues	62.3	62.0	64.5	-2.5	-0.5
BIR	41.1	43.1	45.7	-2.6	5.0
BOC	9.9	11.3	12.5	-1.2	13.7
BTr	8.7	4.6	2.7	1.9	-47.1
Other Offices	2.6	3.0	3.6	-0.6	14.6

	January to December		2005 Q1-Q4 Program	Program vs Actual Amount	Percent Growth
	Actual				
	2004	2005			
Revenues	699.8	795.7	783.2	12.5	13.7
BIR	468.2	534.5	546.9	-12.4	14.2
BOC	122.5	141.7	151.2	-9.5	15.7
BTr	64.7	70.6	36.6	34.1	9.2
Other Offices	44.4	48.9	48.5	0.4	10.1

**NATIONAL GOVERNMENT
EXPENDITURES**
January to December 2005
(In Billion Pesos)

	December		2005 Dec Program	Program vs Actual Amount	Percent Growth 2005/2004
	Actual				
	2004	2005			
Expenditures	89.1	85.7	84.0	1.7	-3.8
Allotment to LGUs	12.9	14.7	n.a.	n.a.	14.4
Subsidy	6.6	3.3	n.a.	n.a.	-49.6
Interest Payments	15.7	13.4	24.5	-11.1	-14.7
Equity	0.0	0.0	n.a.	n.a.	0.0
Net Lending	1.5	-1.7	n.a.	n.a.	-215.4
Others	52.4	55.8	n.a.	n.a.	6.6

	January to December		2005 Q1-Q4 Program	Program vs Actual Amount	Percent Growth
	Actual				
	2004	2005			
Expenditures	886.8	942.2	963.2	-20.9	6.2
Allotment to LGUs	147.5	160.6	120.2	40.4	8.8
Subsidy	14.2	12.2	4.7	7.5	-14.3
Interest Payments	260.9	299.8	313.4	-13.6	14.9
Equity	0.0	0.2	0.2	-0.0	331.8
Net Lending	5.7	1.9	6.9	-5.0	-65.7
Others	458.4	467.5	517.7	-50.2	2.0

NG PRIMARY SURPLUS / (DEFICIT)
January to December 2005
(In Billion Pesos)

	December		2005 Dec Program	Program vs Actual Amount	Percent Growth 2005/2004
	Actual				
	2004	2005			
Primary Surplus/(Deficit)	-11.1	-10.3	5.0	-15.3	-7.5
Revenues	62.3	62.0	64.5	-2.5	-0.5
Expenditures (Net of Interest Payments)	73.4	72.3	59.5	12.7	-1.5

	January to December		2005 Q1-Q4 Program	Program vs Actual Amount	Percent Growth 2005/2004
	Actual				
	2004	2005			
Primary Surplus/(Deficit)	73.8	153.3	133.4	19.9	107.6
Revenues	699.8	795.7	783.2	12.6	13.7
Expenditures (Net of Interest Payments)	625.9	642.4	649.8	-7.3	2.6